

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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FILED

AUG 21 2002

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF INDIANA)
BELL TELEPHONE COMPANY, INCORPORATED,)
D/B/A AMERITECH INDIANA PURSUANT TO)
I.C. 8-1-2-61 FOR A THREE-PHASE PROCESS FOR)
COMMISSION REVIEW OF VARIOUS)
SUBMISSIONS OF AMERITECH INDIANA TO)
SHOW COMPLIANCE WITH SECTION 271(C) OF)
THE TELECOMMUNICATIONS ACT OF 1996)

CAUSE NO. 41657

You are hereby notified that on this date, the Indiana Utility Regulatory Commission has caused the following entry to be made:

On July 12, 2002, the presiding officer issued a docket entry in this Cause requiring the parties to make certain filings regarding the Parties' respective positions on a remedy plan for the purpose of developing an Indiana Remedy/Performance Assurance Plan. In conformance with that docket entry, the Parties made their respective filings on August 2, 2002.

After a review of those documents, there are additional questions that the Parties need to address, which are attached to this entry. Therefore, the Parties should file their respective responses to the attached questions on or before August 29, 2002.

IT IS SO ORDERED.

Camie J. Swanson-Hull
Camie J. Swanson-Hull, Commissioner

Abby R. Gray
Abby R. Gray, Administrative Law Judge

Date 8/21/02

Joseph M. Anttel for
Nancy Manley, Secretary to the Commission

NOTE: for each question, all parties have the option of answering or responding. However, we have indicated which party(ies) must answer the question.

1. Statistical Methodology / Small Sample Parity Test / Permutation Tests [IL 3.2.2]

“In calculating the difference between the performances, the formulae proposed above apply when a larger CLEC value indicates a higher quality of performance. In cases where a smaller CLEC value indicates a higher quality of performance the order of subtraction should be reversed (i.e., $M_{ILEC} - M_{CLEC}$, $P_{ILEC} - P_{CLEC}$, $R_{ILEC} - R_{CLEC}$).” [IL 3.2.2]

QUESTION 1.a. AMERITECH AND CLECs to ANSWER

The applicability of this paragraph is unclear. There are no subtractions of the type indicated (e.g., $M_{ILEC} - M_{CLEC}$, $P_{ILEC} - P_{CLEC}$, or $R_{ILEC} - R_{CLEC}$) in Steps (1) through (9) in Section 3.2.2 of the July 10 Illinois Plan. If, after review, any party believes the quoted language is, in fact, appropriate for the Indiana Remedy Plan, that party should identify the affected Step(s) [Step (1) through Step (9)] and explain how the subtraction formulas in question would be applied to that Step(s).

2. Statistical Support for the IURC Staff [IL 3.2.3]

“Ameritech and CLECs shall provide software and technical support as needed by IURC Staff for purposes of utilizing the permutation analysis. Any CLEC who opts into this plan agrees to share in providing such support to IURC Staff.”

QUESTION 2.a. AMERITECH AND CLECs to ANSWER

Please explain how the costs for providing the software and technical support to IURC staff would be “shared” or allocated between Ameritech and CLECs. Is any party proposing to recover its portion of those costs from ratepayers or customers?

3. Tier 2 Assessments Paid to the State of Indiana [IL 9.1]

“Assessments payable to the State of Indiana apply to the Tier 2 measures designated in Appendix 1 as High, Medium, or Low when Ameritech and/or its affiliate (whichever is better, provided the affiliate data points exceed 30) performance is out of parity or does not meet the benchmarks for the aggregate of all CLEC data. Specifically, if the Z-test value is greater than the Critical Z, the performance for the reporting category is out of parity or below standard. Assessments will be paid when the aggregate of all CLECs has at least 10 observations.”

QUESTION 3.a. AMERITECH to ANSWER

How was the cut-off point of 10 observations selected? Is this a function of the statistical methodology used in the Texas remedy plan and derivatives of that plan, or does

Ameritech believe that there are business or other reasons to set the floor at 10 observations?

QUESTION 3.b. CLECs to ANSWER

Are there some Tier 2 measures that may generate fewer than 10 observations in the aggregate but that CLECs believe are nonetheless important?

4. Advanced and Nascent Services [IL 12]

“Additional Payments”

12.1 In order to ensure parity and benchmark performance where CLECs order low volumes of advanced and nascent services, Ameritech will make additional voluntary payments to the State of Indiana on those measurements listed in section 12.2 below (the “Qualifying Measurements”) [emphasis added]. “Such additional voluntary payments will apply only when there are more than 10 and less than 100 observations for a Qualifying Measurement on average statewide for a three-month period with respect to the following order categories (if within a Qualifying Measurement)” [emphasis added].

AMERITECH to ANSWER

Please answer the following questions regarding the applicability and the interpretation of Section 12.

QUESTION 4.a. Is the preset eligibility criterion (i.e., the range from 11 to 99 observations) calculated cumulatively (on an aggregate basis across all of the order categories described in Section 12.1), or is it calculated separately for each order type?

QUESTION 4.b. How was the cut-off point of 10 observations selected? Is this a function of the statistical methodology used in the Illinois remedy plan, or was this set for some other reason?

QUESTION 4.c. Please explain what is meant by the reference to “additional” payments. Are these in addition to Tier 2 assessments? Please provide any further information you believe would help to explain the reference to “additional” payments.

12.3 “The additional voluntary payments referenced in § 12.1 will be made only if Ameritech fails to provide parity or benchmark service for the above measurements. . .” [emphasis added]

QUESTION 4.d. Section 12.3 appears to limit the applicability of Section 12.1. Please explain the plural reference to “measurements”. Specifically:

QUESTION 4.d.(1) In light of Section 12.3, is Ameritech only required to make the “additional voluntary payments” described in Section 12.1 if it fails to provide parity or benchmark service for all of the Qualifying Measurements? Please explain.

QUESTION 4.d.(2) Alternatively, if Ameritech fails to provide parity or benchmark service for some (but not all) of the Qualifying Measurements, and assuming the other conditions in Section 12 were met, would Ameritech be obligated to make the “additional voluntary payments” described in Section 12.1? Yes or no? Please explain.

12.5 If, for the first three months, . . . qualifying measurements or submeasurement, . . . Indiana State Treasury. However, if during . . . (i) . . . qualifying sub-measure on a statewide basis, or (ii) an average . . . for a non-qualifying submeasure within a qualifying measure . . .

QUESTION 4.e. Please identify the specific qualifying submeasures that Ameritech proposes be included in the Indiana Remedy Plan. Is it Ameritech’s intent that the terms “order categories” and “qualifying submeasures” be used interchangeably in the Indiana Remedy Plan? If not, please explain any differences and propose modifications to the redlined language Ameritech proposed on August 2, 2002.

5. Data and Reporting Requirements Document (Attached to April 26, 2002 e-mail from Karl Henry. Re-Transmitted and attached on July 29 e-mail Additional Questions, Tasks, etc.) AMERITECH and CLECs TO ANSWER

QUESTION 5. There has been a great deal of discussion regarding data retention policies, procedures, documentation, etc., for performance measures. Please comment on data retention policies, procedures, documentation, etc., for the associated penalties (penalties, remedies, liquidated damages, assessments, etc., etc.)

QUESTION 5.a. Is there a single, uniform storage or retention policy that can be applied to all types of penalty data, algorithms, calculations, results, and reports In other words, should all types of penalty data, algorithms, calculations, results, and reports be stored for the same length of time? What differences exist either between or within these categories (data, algorithms, calculations, results, and reports) that would affect the storage and retention policies or durations? Should the storage and retention durations be the same for penalty data, algorithms, calculations, results, and reports be the same as for the data, algorithms, calculations, results, and reports for the performance measures, themselves?

QUESTION 5.b. Is it necessary to be able to support tracking of payments to individual CLEC accounts (e.g., affiliates or subsidiaries)?

QUESTION 5.b.(1) If payments are made by check, what is the appropriate CLEC identification code to support this level of tracking?

QUESTION 5.b.(2) If payments are made by bill credit, what is the appropriate CLEC identification code to support this level of tracking? ACNA? CIC? OCN? BAN? Other?